

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                       |   |            |
|---------------------------------------|---|------------|
| PURCHASED WATER ADJUSTMENT            | ) | CASE NO.   |
| FILING OF UNION COUNTY WATER DISTRICT | ) | 2016-00046 |

ORDER

On January 14, 2016, Union County Water District ("Union County") submitted an application for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Union County purchases water from the City of Morganfield ("Morganfield").

2. On January 1, 2016, Morganfield increased its wholesale water rate to Union County from \$1.9279 per 1,000 gallons to \$2.1664 per 1,000 gallons.<sup>2</sup> Union County proposed to increase the water rates to its customers effective January 1, 2016, to reflect the increased cost of purchased water.

3. During the 12 months ended October 31, 2015, Union County purchased 341,962,510 gallons of water from Morganfield and sold 307,305,784 gallons of water. The increase in the cost of purchased water is \$81,558.06, resulting in a purchased water adjustment factor of \$0.27 per 1,000 gallons.

---

<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> TFS 2015-00780 (Ky. PSC Filed Dec. 17, 2015); The tariff was accepted for filing by the Commission by letter dated Jan. 14, 2016.

4. The purchased water adjustment factor of \$0.27 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

5. The rates as set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service rendered on and after January 1, 2016.

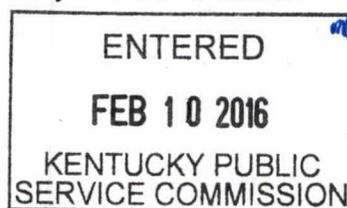
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.27 per 1,000 gallons is approved.

2. Union County's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered by Union County on and after January 1, 2016.

3. Within 20 days of the date of this Order, Union County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00046 DATED **FEB 10 2016**

|                      | New Rate              | Base Rate             |
|----------------------|-----------------------|-----------------------|
| Morganfield          |                       |                       |
| Purchases in gallons | 341,962,510           | 341,962,510           |
| Volumetric rate      | <u>\$2.1664/1,000</u> | <u>\$1.9279/1,000</u> |
|                      | \$ 740,827.58         | \$ 659,269.52         |

Increased water cost \$81,558.06

|                               |                    |
|-------------------------------|--------------------|
| Increased water cost          | \$ 81,558.06       |
| Divided by gallons sold/1,000 | <u>307,305,784</u> |
|                               | \$ 0.2654          |

Purchased water adjustment factor \$0.27 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2016-00046 DATED **FEB 10 2016**

The following rates and charges are prescribed for the customers in the area served by Union County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

5/8- X 3/4-Inch Meters

|       |                 |    |                        |
|-------|-----------------|----|------------------------|
| First | 2,000 Gallons   | \$ | 12.51 Minimum Bill     |
| Next  | 3,000 Gallons   |    | 6.25 Per 1,000 Gallons |
| Next  | 5,000 Gallons   |    | 5.85 Per 1,000 Gallons |
| Next  | 15,000 Gallons  |    | 5.50 Per 1,000 Gallons |
| Next  | 25,000 Gallons  |    | 5.20 Per 1,000 Gallons |
| Next  | 50,000 Gallons  |    | 4.80 Per 1,000 Gallons |
| Next  | 100,000 Gallons |    | 4.40 Per 1,000 Gallons |
| Next  | 100,000 Gallons |    | 4.00 Per 1,000 Gallons |
| Over  | 300,000 Gallons |    | 3.60 Per 1,000 Gallons |

3/4-Inch Meters

|       |                 |    |                        |
|-------|-----------------|----|------------------------|
| First | 5,000 Gallons   | \$ | 31.25 Minimum Bill     |
| Next  | 5,000 Gallons   |    | 5.85 Per 1,000 Gallons |
| Next  | 15,000 Gallons  |    | 5.50 Per 1,000 Gallons |
| Next  | 25,000 Gallons  |    | 5.20 Per 1,000 Gallons |
| Next  | 50,000 Gallons  |    | 4.80 Per 1,000 Gallons |
| Next  | 100,000 Gallons |    | 4.40 Per 1,000 Gallons |
| Next  | 100,000 Gallons |    | 4.00 Per 1,000 Gallons |
| Over  | 300,000 Gallons |    | 3.60 Per 1,000 Gallons |

1-Inch Meters

|       |                 |    |                        |
|-------|-----------------|----|------------------------|
| First | 10,000 Gallons  | \$ | 60.50 Minimum Bill     |
| Next  | 15,000 Gallons  |    | 5.50 Per 1,000 Gallons |
| Next  | 25,000 Gallons  |    | 5.20 Per 1,000 Gallons |
| Next  | 50,000 Gallons  |    | 4.80 Per 1,000 Gallons |
| Next  | 100,000 Gallons |    | 4.40 Per 1,000 Gallons |
| Next  | 100,000 Gallons |    | 4.00 Per 1,000 Gallons |
| Over  | 300,000 Gallons |    | 3.60 Per 1,000 Gallons |

1 1/2-Inch Meters

|       |         |         |    |        |                   |
|-------|---------|---------|----|--------|-------------------|
| First | 25,000  | Gallons | \$ | 143.00 | Minimum Bill      |
| Next  | 25,000  | Gallons |    | 5.20   | Per 1,000 Gallons |
| Next  | 50,000  | Gallons |    | 4.80   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.40   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.00   | Per 1,000 Gallons |
| Over  | 300,000 | Gallons |    | 3.60   | Per 1,000 Gallons |

2-Inch Meters

|       |         |         |    |        |                   |
|-------|---------|---------|----|--------|-------------------|
| First | 50,000  | Gallons | \$ | 273.00 | Minimum Bill      |
| Next  | 50,000  | Gallons |    | 4.80   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.40   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.00   | Per 1,000 Gallons |
| Over  | 300,000 | Gallons |    | 3.60   | Per 1,000 Gallons |

2 1/2-Inch Meters

|       |         |         |    |        |                   |
|-------|---------|---------|----|--------|-------------------|
| First | 75,000  | Gallons | \$ | 392.99 | Minimum Bill      |
| Next  | 25,000  | Gallons |    | 4.80   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.40   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.00   | Per 1,000 Gallons |
| Over  | 300,000 | Gallons |    | 3.60   | Per 1,000 Gallons |

3-Inch Meters

|       |         |         |    |        |                   |
|-------|---------|---------|----|--------|-------------------|
| First | 100,000 | Gallons | \$ | 512.99 | Minimum Bill      |
| Next  | 100,000 | Gallons |    | 4.40   | Per 1,000 Gallons |
| Next  | 100,000 | Gallons |    | 4.00   | Per 1,000 Gallons |
| Over  | 300,000 | Gallons |    | 3.60   | Per 1,000 Gallons |

4-Inch Meters

|       |         |         |    |        |                   |
|-------|---------|---------|----|--------|-------------------|
| First | 200,000 | Gallons | \$ | 952.98 | Minimum Bill      |
| Next  | 100,000 | Gallons |    | 4.00   | Per 1,000 Gallons |
| Over  | 300,000 | Gallons |    | 3.60   | Per 1,000 Gallons |

6-Inch Meters

|       |         |         |    |          |                   |
|-------|---------|---------|----|----------|-------------------|
| First | 300,000 | Gallons | \$ | 1,352.97 | Minimum Bill      |
| Over  | 300,000 | Gallons |    | 3.60     | Per 1,000 Gallons |

\*Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437

\*Union County Water District  
Union County Water District  
409 North Court Street  
P. O. Box 146  
Morganfield, KY 42437